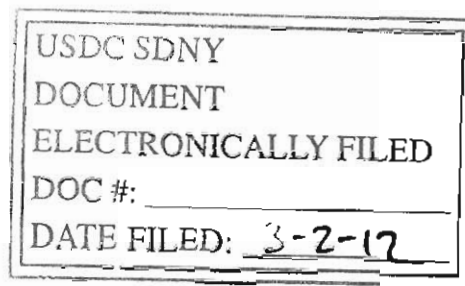


UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK



-----X
SYNCORA GUARANTEE INC., f/k/a XL :
Capital Assurance Inc.,

Plaintiff,

09 Civ. 3106 (PAC)

-against-

ORDER

EMC MORTGAGE CORPORATION,

Defendant.
-----X

Pursuant to a letter agreement, which the Court "So Ordered" on February 6, 2012, the parties have submitted several discovery disputes for prompt resolution so that the parties may meet the March 16, 2012 deadline for fact discovery.

SYNCORA'S DISCOVERY DEMANDS

With respect to Syncora's discovery request set forth in its February 10, 2012 letter, EMC is directed to produce responsive documents from the files of two additional custodians: Leslie Rodriguez and Mark Arvizu (Request No. I). Syncora's demands for documents concerning claims against GreenPoint Mortgage Funding, and for documents showing the consideration paid and received by EMC (Requests II and III), are denied.

EMC'S DISCOVERY DEMANDS

With respect to EMC's longer list of document requests, some of the requests were previously made and denied. They will not be reconsidered. Other requests seek work product protected documents. Those documents need not be produced either. The Court makes the following rulings on EMC's request:

1. Syncora's Contemporaneous Expected Loss Analyses of HELOC Deals.
This request was previously made and denied. Upon renewal, it is denied again.
2. Syncora's RMBS Deal Losses, Revenues and Repurchase Claims.
Discovery has long since concluded, and this request is denied.
3. Communications with Reinsurers about the Transaction.
Denied.
4. Discovery Relating to Syncora's Alleged Damages and Mitigating Efforts.
EMC mentioned "two very simple interrogatories." The interrogatories served are inconsistent with that description. Syncora's answers, filed on February 6, 2012, are adequate; and the request is denied.
5. Supplementation of Factual Record through Expert Discovery.
This request is denied as premature. Experts will not be permitted to testify based on unknown facts. The factual basis for the expert's report will be fully disclosed.
6. Underwriting Guidelines.
The request is denied. The relevant documents have been produced.
7. Syncora's Forensic Review of Loan Files.
For the reasons stated by the First Department, Appellate Division, Judge Rakoff, Judge Crane and Judge Bransten, this request is denied.

8. Syncora's Methodology for Selecting Samples of Loans Alleged in the Complaint.

The request is denied.

Dated: New York, New York
March 2, 2012

SO ORDERED

A handwritten signature in cursive script, appearing to read "Paul A. Crotty", is written over a horizontal line.

PAUL A. CROTTY
United States District Judge